THE
Dan Smoot Report

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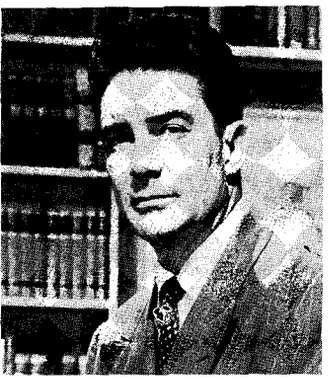

DAN SMOOT

OUR FLAG IS COMING DOWN IN PANAMA

Present U. S.-Panama negotiations of a new treaty (to meet demands of Panama politicians and of international communism that the U. S. surrender sovereignty over the Panama Canal Zone) were initiated by President Johnson as a result of the bloody Panama riots in January, 1964. Those riots were precipitated by Panama mobs protesting because American students raised an American flag, at an American high school, in the American Canal Zone. Here are excerpts from a contemporary log kept by a La Crosse, Wisconsin, radio commentator who was in Panama as a tourist at the time of the riots:

"The Canal Zone radio went off the air at 11 last night . . . . The radio announcers [on Panama stations outside the American Canal Zone] are screaming at the top of their lungs . . . 'to kill all the Americans you see.' Thelma King, a deputado (congress-woman) and Communist, screaming for two hours on the radio and loudspeakers in the city — to hunt out all the Americans and butcher them in the streets. . . .

"All kinds of armament . . . in the hands of the mob: pistols, clubs, Molotov cocktails . . . . Snipers previously posted on the surrounding rooftops . . . [firing] with rifles at the [American Canal Zone] police . . . . The looters . . . running in mobs . . . looking in the streets and in windows for Americans to kill. . . .

"Then they attacked the U. S. Embassy. We . . . phoned there, and were told to hang up as they were busy evacuating. So, there we were — no protection, and it appeared the U. S. didn't give a damn about us. . . .

"A show of force any time during this anti-American Red-inspired riot would have brought a quick end . . . and saved how many American lives? How many Americans are now dead in their apartments, or torn to pieces and hacked to bits? How many are dead in the outside villages hanging from trees and lamp posts? How many? . . . We know for sure the Panamanians hanged five Americans. Cut one more up in little pieces with machetes. This news . . . has been classified as secret and the . . . . classifying is being done by our own government. . . ."[1]

THE DAN SMOOT REPORT is published weekly by The Dan Smoot Report, Inc., Box 9538, Dallas, Texas 75214 (office at 6441 Gaston Ave.). Subscriptions: $18.00 for 2 years; $10.00, 1 year; $6.00, 6 months; first class, $12.50 a year; airmail, $14.50. Dan Smoot was born in Missouri, reared in Texas. With BA and MA degrees from SMU (1938 and 1940), he joined the Harvard faculty (1941) as a Teaching Fellow, doing graduate work in American civilization. From 1942 to 1951, he was an FBI agent; from 1951 to 1955, a commentator on national radio and television. In 1955, he started his present independent, free-enterprise business: publishing this REPORT and abbreviating it each week for radio and TV broadcasts available for commercial sponsorship by business firms.

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All fighting in which Americans were involved occurred inside our Canal Zone where American troops were trying to protect American lives and American property from foreign mobs which had invaded American soil. Nonetheless, the Panama President accused the United States of "aggression," and broke diplomatic relations saying he would not resume relations until the U. S. promised to renegotiate U. S.-Panama treaties.

President Johnson said he would not yield to force and that violence was no basis for talks; yet, he rushed Thomas Mann to Panama for talks. On January 23, 1964, Johnson made an appeal for Panama to restore diplomatic relations with us, promising to discuss or renegotiate anything. Commenting on the riots, Johnson placed as much blame on American youngsters who had raised an American flag as on communist-led Panama mobs who had murdered, vandalized, and pillaged for more than a week.[2]

On March 21, 1964, Johnson sent Panama another conciliatory message re-emphasizing his willingness to discuss anything desired by Panama.

On April 3, 1964, Johnson resumed diplomatic relations with Panama — on Panama's terms — and began negotiations for "prompt elimination of the causes of conflict between the two countries, without limitations or preconditions of any kind."[3]

On April 5, 1964, when General Douglas MacArthur died, the American and Panama flags were lowered to half-mast in our Canal Zone. A few Panama "students" objected. The U. S. State Department, on orders from Johnson, had the Panama flag raised to full staff, above the American flag — in defiance of American military regulations, which forbid the flying of *any* flag above ours on American soil or at an American military installation.[4]

On July 10, 1964, an Alliance for Progress team submitted *to the government of Panama* a report saying that Panama should be given a more important role in the operation of the Canal; that Panamanians should be promoted to positions of high responsibility in the Canal organization; and that the U. S. should return to Panama all land in the Canal Zone that is not indispensable for maintenance, defense, and sanitation of the Canal.[5] Alliance for Progress is the organization which dispenses United States tax money to Panama and other Latin American countries.

On July 15, 1964, the government of Panama released a report revealing its future plans for the Canal Zone. Among other things, Panama will force all Canal Zone residents (Panamanians and non-Panamanians alike) to move out. This will require them to live somewhere in the Republic of Panama where the government of Panama can levy income taxes on them. This plan is supported, in part, by the Alliance for Progress.[6]

On December 18, 1964, President Johnson — with the election safely behind him — announced that he would negotiate a new treaty to recognize Panama's sovereignty over the Canal Zone.[7]

On September 24, 1965, Johnson gave a progress report, saying that, after 18 months of negotiations, the U. S. and Panama had decided to abolish the 1903 treaty, replacing it with a new one which would recognize Panama's sovereignty over the Canal Zone and permit "political, economic, and social integration" of the Zone into the Republic of Panama. The new treaty will also provide for a new sea-level canal across Panama — if the commission studying the problem decides that Panama is the best place for a new canal.[8]

Johnson says he thinks the new sea-level canal being planned can be built on the site of the present Canal; but he promises that Panama will receive "adequate compensation for any economic damage suffered" if the new canal is built elsewhere. The implication of this promise is enormous. Panama's two largest cities — Colon and Panama City, at the Pacific and Atlantic terminals of the Panama Canal — will die if a bigger Canal is built elsewhere. Johnson's promise of "adequate compensation" can mean nothing less than putting Panama's two major cities on the American dole forever.[9]

On October 7, 1965, Diogenes de la Rosa (an admitted marxist who is Panama's negotiator in treaty talks with the U. S.) spoke to the Panama

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National Assembly, giving Panama's official reaction to the promises President Johnson had made on September 24. De la Rosa said that Panama's objective is "a Panamanian canal in Panamanian territory under the Panamanian flag." He acknowledged that in 1964, Panama's direct income from the Canal was $115.4 million, which generated activities totaling another $233 million for Panama. This income derived from the Panama Canal Zone was 39% of the Republic of Panama's gross national product ($578.8 million) — a "fearful figure," de la Rosa said.[10]

Panama demands that the U. S. continue to supply technology, experience, and money to operate the Canal, but under Panamanian direction and sovereignty, guaranteeing to Panama whatever economic benefits Panama feels she should receive. Panama also demands that we pay for the privilege of rendering such vital services to Panama by: (1) constructing another bridge across the Canal — this one on the Pacific side; (2) providing ports, piers, and auxiliary installations for the cities of Panama and Colon; (3) improving and expanding our facilities for furnishing sanitary water to the Republic of Panama; (4) providing short-range and long-range "training of Panamanians in all occupations."[10] In other words, they want us to pay for a poverty program that will embrace the total population of Panama.

On February 3, 1966, Dr. Arnulfo Arias (former President of Panama who was defeated by Marco A. Robles in 1964) said the Panamanian people will accept no treaty with the U. S. which is negotiated by the Robles administration. Asked whether he would support a Robles-negotiated treaty that conformed with his own position, Arias said, facetiously:

"If the treaty is very good — if they give us a few little things like New York City — we accept it."[11]

When the January, 1964, riots erupted in Panama, a propaganda campaign *against* the Panama Canal erupted in the United States. The theme of the campaign was that the Panama Canal, great in its time but now inadequate and obsolete, should be replaced with a larger sea-level canal. On September 2, 1964, Congress hastily passed a bill appropriating a large amount of tax money for studies of sea-level canal alternatives to the present Canal.[12]

The propaganda (preparing Americans to accept without protest the giveaway of one of their most valuable possessions, by convincing them it is no longer useful) does not recognize, much less answer, the critical question: If our government will not hold on to the Panama Canal which it has owned and operated for 52 years, will our government protect a multi-billion-dollar investment in a new canal?

Surrendering our Canal Zone territory and giving away our present Canal will whet foreign appetites for more. If we build a new canal (in Panama or elsewhere in Central America) the nation that provides the right-of-way will demand full sovereignty and ownership.

In all Central American nations where a sea-level canal might be built, general political instability is so commonplace, and communist influence so strong, that a canal operated under *any* authority except the *exclusive* authority of the United States would be a detriment, not an asset, to our nation.

From the day the Republic of Panama was born, her economy has revolved around benefits provided by the United States. Her military security, and the health of her people, depend on us. Our treatment of Panama has *always* been magnanimous. Our only disservice to that nation has resulted from our government's efforts to comply with the outrageous demands of Panama politicians — thus encouraging them to keep their country in turmoil, making it profitable for them to play politics with the "yankee imperialism" propaganda of communism.

The treaty of 1903 — the birth certificate of the Republic of Panama — did not give us too much in comparison with what Panama got.

When we acquired right to build the Canal, we accepted responsibility to maintain, operate, and

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defend it. A vulnerable, critically-important, ten-mile-wide strip of land such as the Canal Zone cannot be easily defended by military bases confined within the strip itself. Our government did not insist on a wider Canal Zone in 1903, because the Treaty gave us the right to *acquire any property anywhere in Panama* which might be needed for operation, sanitation, or defense of the Canal.

In the treaty of 1936-39 and in the treaty of 1955, the Republic of Panama promised to cooperate in every way feasible to demonstrate mutual understanding and cooperation between the two countries and to strengthen bonds of understanding and friendship between their respective peoples.

Panama has blatantly and continuously violated the expressed intent of both treaties. Hence, we should declare both treaties null and void. We should return to the terms of the original treaty of 1903, and enforce them meticulously, with the military might of our nation if necessary.

The present Panama Canal is not obsolete. It is too small for a few of our aircraft carriers, but will handle most of our naval craft and commercial vessels. We should keep the Canal, as well as the Zone surrounding it, exclusively under our jurisdiction and control, making whatever improvements *our* national interests may require. We do not need the consent or approval of Panama. All we need is an aroused and determined public which will compel our government to assert our national rights.

SUGGESTION: Begin *now* demanding that Congress stop spending tax money on plans for a new transisthmian canal. Begin *now* bombarding U. S. Senators with demands that the Senate reject the new U. S.-Panama treaty when President Johnson submits it.

Hope of the World

My regular Christmas *Report*, "The Hope of the World," dated December 19, 1966, is already off the press, available for those who want quantities to use as Christmas greetings. If you have never seen this issue, and would like to read it to determine whether you want to use it as a Christmas greeting, you may order a single copy. Our regular reprint prices apply — 25c for a single copy, quantity prices as shown below.

FOOTNOTES

(1) "La Crosse Man, Caught In Panama Riots, Writes Home," by Don Athnos, *The La Crosse Tribune*, January 30, 1964, p. 1 and the editorial page

(2) "Johnson Talk on Panama," *The New York Times*, January 24, 1964, p. 13

(3) "Texts on Panama Accord," *The New York Times*, April 4, 1964, p. 2

(4) "Humble Pie," editorial, *The Dallas Morning News*, April 28, 1964, Sec. 4, p. 2

(5) "RP Needs Bigger Role in PC, Alliance Says," *Panama American*, July 10, 1964, p. 1

(6) "Shift Zonians To RP, Levy Taxes, RP Asks," *Panama American*, July 15, 1964, p. 1

(7) "U. S. Decides To Dig A New Canal At Sea Level In Latin America and Renegotiate Panama Pact," by Tad Szulc, *The New York Times*, December 19, 1964, pp. 1, 10

(8) "U. S. to Scrap 1903 Treaty With Panama," by Mike Quinn, *The Dallas Morning News*, September 25, 1965, p. 1

(9) "U. S. Giving Up Canal," by Michael Pakenham and Jules DuBois, *Chicago Tribune*, September 25, 1965, pp. 1, 2

(10) "RP's Sweeping Treaty Agenda Revealed," *Star & Herald* (English-language newspaper published in Panama), October 8, 1965, pp. 1, 8

(11) "Arias Says Government Lacks Support To Get Treaty Passed," *Star & Herald*, February 4, 1966, p. 1 ff.

(12) "Help! Save The Panama Canal," by Harold Lord Varney, *American Opinion* reprint, March, 1965, 16 pp.

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